

**GOVERNMENT OF TELANGANA**  
**ABSTRACT**

ITE&C Department - Mobile Manufacturing Policy of Industries & Commerce Department - Incentives - Sanction and Release of an amount of Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only) in favour of M/s Bhagwati Products Limited, Hyderabad towards Reimbursement of Interest Subsidy, Investment Subsidy, Power Cost - Orders - Issued.

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**INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS (Electronics)**  
**DEPARTMENT**

**G.O.Rt.No. 38**

**Dated: 15-03-2018**

**Read the following:**

1. G.O.Ms.No.28, Industries & Commerce (IP) Department Dt:29.11.2014.
2. G.O.Ms.No.70, Industries & Commerce (IP) Department Dt:29.09.2015.
3. G.O.Ms.No.71, Industries & Commerce (IP) Department Dt:29.09.2015.
4. Lr.No.30/1/2017/4434, Dt:19.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
5. Lr.No.30/1/2017/44338, Dt:21.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
6. Lr.No.COI/516/MO/SIA/2016, Dt:21.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
7. Lr.No.COI/516/MO/SIA/2016, Dt:21.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
8. Lr.No. 30/1/2017/44345, Dt:22.12.2017 from Commissioner of Industries addressed to M/s Bhagwati Products Limited.
9. G.O.Rt.No.756, Finance (EBS.I) Department dt:27.04.2017.
10. U.O.Note.No.122/ITE&C/Budget/2017, dt:03.05.2017.
11. G.O.Rt.No.1486, Finance (EBS.I) Department, Dt:23.08.2017

**ORDER:**

Government in the Mobile Manufacturing Policy issued vide G.O. 2<sup>nd</sup> read above have ordered for provision of tailor made benefits to Mobile Manufacturers.

2. As per Mobile Manufacturing Policy issued vide G.O.Ms.No.70, Industries & Commerce (IP) Department, dt: 29.09.2015, the Mobile Manufacturing Companies are eligible for reimbursement of Interest Subsidy, Investment Subsidy, Power Cost for a period of 5 years from the date of commencement of production for products made and sold in the State. The date of commencement of commercial operations of the company is 12<sup>th</sup> February, 2016.

3. As per G.O.Ms.No.71, Industries & Commerce (IP) Department Dt:29.09.2015 issued, allotment of 18.669 Acres at Fabcity (Ecity) in the Electronics Manufacturing Cluster (EMC) on cost basis and offering other incentives to M/s Bhagwati Products Limited (Micromax) for setting up manufacturing of Mobile Phone Instruments and its accessories.

4. In pursuance of Orders vide G.O. 2<sup>nd</sup> and 3<sup>rd</sup> read above, M/s Bhagwati Products Limited, Hyderabad has filed applications to Industries and Commerce Dept for claiming reimbursement of Interest Subsidy, Investment Subsidy, Power Cost. All the applications has been thoroughly scrutinized by the Commissioner of Industries and has approved it. The said applications were placed in the 18<sup>th</sup> SLC meeting and SLC has recommended for reimbursement of Interest Subsidy, Investment Subsidy, Power Cost to M/s Bhagwati Products Limited, Hyderabad

5. Vide 4<sup>th</sup> read above, the Deputy Director, Commissioner of Industries, has informed to the company that they have been sanctioned an amount of Rs.3,33,08,617/- towards Investment Subsidy under the scheme of T-IDEA.

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6. Vide 5<sup>th</sup> read above, the Deputy Director, Commissioner of Industries, has informed to the company that they have been sanctioned an amount of Rs.7,01,184/- towards reimbursement of Power Cost for the period 2<sup>nd</sup> H.Y. of 2015-16 and 1<sup>st</sup> H.Y of 2016-17 under the scheme of T-IDEA.

7. Vide 6<sup>th</sup> read above, the Additional Director, Commissioner of Industries, has informed to the company that they have been sanctioned the reimbursement of interest subsidy under pavala Vaddi Scheme for an amount of Rs.37,33,002/- to the captioned unit for the under the scheme of T-IDEA.

8. Vide 7<sup>th</sup> read above, the Additional Director, Commissioner of Industries, has informed to the company that they have been sanctioned the reimbursement of Power Cost of Rs.4,05,812/- to the captioned unit for the under the scheme of T-IDEA.

9. Vide 8<sup>th</sup> read above, the Deputy Director, Commissioner of Industries, has informed to the company that they have been sanctioned and amount of Rs.47,11,987/- towards reimbursement of Interest Subsidy (Pavala Vaddi) for the period 2<sup>nd</sup> H.Y. of 2015-16 and 1<sup>st</sup> H.Y. of 2016-17 under the scheme of T-IDEA.

10. As such, from the above letters 4 to 8 read above, the amount to be reimbursed to M/s.Bhagwati is as mentioned below:

SL.No.	Incentive	Amount
1	Power cost (7,01,184+4,05,812)	11,06,996
2	Interest subsidy (37,33,002+47,11,987)	84,44,989
3	Investment subsidy	3,33,08,617
	<b>Total</b>	<b>4,28,60,602</b>

11. The total amount for all subsidies Rs.4,28,60,602 towards M/s Bhagwati products Limited is a Mega Unit.

12. It has been decided that the said amount will be reimbursed from the ITE&C Dept budget from the Subsidies Head of Account.

13. In the G.O. 9<sup>th</sup> and 11<sup>th</sup> read above, the Finance Department has released BRO to ITE&C Dept for the 1<sup>st</sup> and 2<sup>nd</sup> quarter for the Financial Year 2017-18 under the Head of Account:330 - Subsidies for an amount of Rs.6 crores. Out of the said amount, an amount of Rs.3,90,00,000/- is available.

14. In this regard, it is proposed to reimburse the claim to M/s Bhagwati Products Limited on instalment basis due to insufficient funds. As such, the 1<sup>st</sup> instalment can be given as Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only).

15. Taking into consideration the recommendations of SLC Meeting vide 4<sup>th</sup> – 8<sup>th</sup> read above, Government after careful consideration, hereby sanction and release an amount of Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only) in favour of M/s Bhagwati Products Limited, Hyderabad towards 1<sup>st</sup> installment of reimbursement of Interest Subsidy, Investment Subsidy, Power Cost.

16. The amount sanctioned in Para.7 above shall be debited to the following Head of Account:

- 3451 : Secretariat Economic Services
- MH 090 : Secretariat
- GH (25) : State Sector Schemes
- SH (22) : ITE&C Department
- 330 : Subsidies

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17. The Assistant Secretary to Government & D.D.O., ITE&C Department shall draw the amount of Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only) sanctioned in Para.7 above and arrange for payment duly applying the TDS in favour of M/s Bhagwati Products Limited, Hyderabad.

18. M/s Bhagwati Products Limited, Hyderabad shall submit an advance stamped receipt for Rs.3,90,00,000/- (Rupees Three Crores Ninety Lakhs only) to this Department in duplicate.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

**JAYESH RANJAN  
PRINCIPAL SECRETARY TO GOVERNMENT**

To

M/s Bhagwati Products Limited, Hyderabad.  
The Prl.secretayr, Industries and Commerce Department  
The Commissioner of Industries and Commerce Department  
The VC & MD, TSIIC Ltd, Hyderabad  
The Accountant General (Audit), Telangana, Hyderabad  
The Accountant General (A&E), Telangana, Hyderabad  
The Director of Treasuries and Accounts, Telangana, Hyderabad  
The District Treasury Officer, Urban, Hyderabad  
The Pay and Accounts Officer, Telangana, Hyderabad  
The Resident Audit Officer O/o Pay and Accounts Officer, Telangana, Hyderabad  
The Assistant Secretary to Government & DDO, ITE&C Department

Copy to:

Fin. (EBS.I) Department  
SF/Spare

**// FORWARDED :: BY ORDER //**

**SECTION OFFICER**